FINANCIAL—LOCAL AND OTHERWISE.

BY I. A. FLEMING.

Beginning with the first of November the banks of the country, state national and private, will find the new war tax measure operative, imposing upon them $1 for every $1,000 of capitalization, and reducing annual profits by just that amount. Moreover it will not be a tax on capital alone, but the law specifically says that in estimating capital, surplus and undivided profits shall be considered. The tax is payable on the capital, etc., at the beginning of the year.

This new burden on bankers will cost Washington national and state institutions $33,282 a year, based on the capital, surplus and undivided profits, less taxes, as shown by the statements in response to the call of the controller of the currency of September 12. There are a number of private banking institutions that will add a few thousands to the tax.

Brokers, understood in the sense of being represented in financial and security transactions, must pay a tax of $30, but the law releases from this taxation brokers who may have paid taxes as bankers. Mutual savings banks, not capitalized, and operated for mutual benefit are not taxable under this act.

After December 1, bonds, debentures or certificates of indebtedness issued by any association, corporation or company shall pay 5 cents each on $100 face value in stamp tax. All sales of stock, agreements to sell or memoranda of sales or deliveries or transfers of shares or certificates of stock, shall be subject to a tax of 2 cents on each $100 face value. No tax is contemplated on stocks put up as collateral loans where no transfer has taken place.

One cent on each $100 of face value is assessed against sales of merchandise or products on any exchange, unless actual transfer of goods or bills of lading for the same shall be made. This will tax both cotton and grain transactions for future delivery.

Further taxation is provided on all promissory notes, except bank notes for circulation, which are heavily taxed now. On promissory notes of $100 or less, 2 cents: for each additional $100 or fraction thereof, 2 cents.

Municipal and state bonds, etc., are not taxable under this law. Telephone and telegraph messages costing 15 cents or more, carries with them an extra charge of 1 cent for tax payment.

Fiduciary bonds carry a stamp tax of 50 cents each.

Insurance policies pay ½ to 1 per cent tax on each dollar thereof.

It is going to cost just a little bit more to do business.

Carrying Reserves.

It is not to be expected that member banks of the federal reserve institutions will carry any larger percentage of their reserves with the federal bank than the law necessitates. The reserves carried with the latter yield no interest returns. Reserves carried with other national banks pay interest at 2 per cent, sometimes more. The reserve requirements of the federal banks have prevented more trust companies from joining the system, as at present they are compelled to keep but very modest reserves. Their checks will be collected through a national bank affiliation by the federal reserve bank without additional cost. When the new law is effective member banks in reserve cities will reduce reserves to 18 per cent.

Emergency Currency Law.

It was fortunate, indeed, for the welfare of the country that the Aldrich-Vreeland currency measure was enacted and enrolled on the statutes before the emergency in which the country now finds itself. Under its provisions the Treasury Department has been able to meet all demands, to scatter $336,000,000 emergency money where it was most needed, and to prevent anything like financial stress in the general business world.

That it was enacted right after a panic and that it has prevented, in an even greater emergency than that in 1907, still more serious panic, is to the credit of its sponsors, the republican party in general and Senator Aldrich and Representative Vreeland in particular. Its enforcement by the party that made it a law consisted simply in the preperation of $500,000,000 emergency currency.

That it was a vehicle at the hands of the administration forces at a time when its own financial measure was yet in embryo and by these forces put to the best possible use in relieving a strained situation has been plainly evidenced. That the new currency law will do even more has been the claim of its sponsors, in that there is no limit to its ability to rediscount, may be a demonstrated fact as the days pass on, but one of the most potent reasons for giving thanks November 26 by American bankers is that the Aldrich-Vreeland law was there when a saving influence was sadly needed.

Income Tax.

There was no possible way by which the internal revenue department could reach even an approximate conclusion as to the incomes subject to taxation in the various classes before the returns were all in. A man's income, like his wealth, is subject to revision, and while the latter is a matter of public knowledge in a general way, where the party is of sufficient financial importance to be well known, still the after death revisions have told some startling tales. Incomes are even more impossible to estimate.

When the returns are next received there will be probably be more suspicion of tax dodging, for very many of the sources of income have been stopped or seriously interfered with during the last few months, and more will be in the next sixty days. Passing of dividends has become a very common thing, decreases in gross earnings much more serious, and the revenue collections from corporations and individuals will fall off heavily. Likewise, the revenue from "dry" states heretofore in the "wet" column and paying internal revenue taxes will also be largely reduced.

Then, too, there are many who drew incomes as salary last year who are not on pay rolls this year, and salaries of over $10,000 have in many cases been sharply reduced. It is perhaps a fact that there are not a hundred thousand men in the $10,000 class today.

The Money Market.

While there has been more or less improvement, financially, the money market remains in about status quo, with no disposition on the part of bankers to encourage new ventures and with positive refusal to make loans to encourage speculation. There has been some little real estate money in the market right along, but lenders have a habit of picking and choosing and of asking good rates for the accommodations made. Real estate money is not plenty.

Rates are nearer an average of 6 per cent than anything else.

New York bankers have been busy accumulating a reserve and wiping out the deficit, and in so doing have retired a considerable amount of clearing house certificates.

Washington bankers are not discriminating when it comes to the accommodation of legitimate business; there is plenty of money for all demands. The unseasonable weather, summer lingering in late fall, has been something of a disappointment to people in certain lines, while restricted social activities are likely to cause complaint from others.

Investments.

Washington investors are not all idle; not all waiting for the reopening of the exchange, the meanwhile doing nothing. There seems to be an unusually large amount of cash here for bargains in high-grade bonds and some good inquiry for local stocks as well. Brokers are not inclined to make public all transactions, but some very fair orders have been executed.

Two new members of the utilities commission of the District may have some effect in the policy of the commission.

Steel Production Lessening.

The production of the steel mills is gradually falling off. In July and August the capacity production was about 65a70 per cent, dropping to 45 per cent as compared with 50 per cent in the fore part of the current month.

Unless there is a material increase in bookings the production is likely to reach 40 per cent. Wire, sheet and tinplate production is the chiefest activity at this time. Building operations are at a low ebb and structural orders are scare. A few rail orders have been placed, but the railroads are too poor to make their usual liberal purchases.

Practically all buying that would be based upon financing is stopped, there being scarcely any business in cars, rails, locomotives and structural material.

Steel prices are more or less soft, but the market is so stagnant there is very little interest in prices. Pig iron has shown further declines, and on a general average is now at the lowest level since 1904, having lately passed below the very low point of January, 1912.

Export demand for steel products has shown no improvement in the past week or two, but rather the reverse. On the other hand, there is a sharp improvement in machine tools and other manufactured goods for export, involving the consumption of iron and steel.

Idle Cars Indicate Conditions.

The fortnightly bulletin of the American Railway Association shows that October 15 there was a net surplus of idle cars on the lines of the United States and Canada of 151,982, compared with 131,027 October 1, an increase of 20,955. The gross surplus was 154,342, against 133,382, while the gross shortage was 2,360, as compared with 2,355, practically no change.

During the two weeks the net surplus of box cars increased from 55,131 to 63,127 and the coal car surplus rose from 37,224 to 46,635. The change in the flat car surplus was larger than for some time past, the total of 10,624 on October 15 comparing with 8,733 two weeks before.

Contrasted with the usual demand for cars in the middle of October, the total surplus this year presents a strange situation. It is the largest for the period in any year since 1908. The surplus of box cars showed a large increase in the northwest and smaller increases in the eastern states and Central Freight Association territory.

CURRENCY LAW, MODEL FOR RAILWAY CONTROL

E. P. Ripley Proposes Boards of Directors as for Regional Reserve Banks.

KANSAS CITY, Mo., October 24.—Establishment of railway "groups," somewhat after the manner of regional reserve banks, each group to be governed by a board of directors on which the government would be represented, was urged today as the solution of the problem of railroad operation by E. P. Ripley, president of the Atchison, Topeka and Santa Fe railway, in an address at a banquet here tonight.

Mr. Ripley said the idea was his own. He did not know that his own board of directors would approve it.

"The present system of management cannot last. It almost may be said to have broken down already," said Mr. Ripley.

"But government ownership is not the solution. No one can point to any business enterprise successfully and economically conducted by the government."

Mr. Ripley named instances of wasteful competition.

"With the government having one or more seats on railway boards and the power of absolute veto, all economies incident to common ownership might be practiced," he said. "It is clear that the present system, under which private individuals are expected to provide the cash, while a group of lawyers at Washington furnish a management out of their own theories, cannot possibly continue."

CHICAGO GRAIN.

CHICAGO, October 24.—Wheat took a downward slant today, influenced by a lessening of export sales and by a good deal of profit taking on the part of holders. The market closed unsettled at ⅜ to 1 net decline. Corn finished ⅜a½ off, oats down ¼a⅜ and provisions varying from a setback of 10 to an equal advance.

Although it was apparent that foreigners were actively endeavoring to purchase wheat, their methods were in decided contrast with the course pursued on the previous day. Instead of continuing to accept offers indiscriminately, the buyers for the most part refrained from export transactions unless at a material drop from yesterday's average price level. The bulls were further handicapped by week-end realizing sales, which set in right at the opening and remained in evidence until the close.

Commission house demand for wheat was good in the early dealings, but dwindled as the session wore on. Liberal receipts at primary points counted somewhat in favor of the bears, and so also did improved crop advices from western Europe.

Corn started out higher, owing to wet weather and to reports of large losses in Argentine shipments to Europe. The market, however, afterward became depressed with wheat.

Oats merely followed the action of other grain. Export call was described as fair.

Support from packers rallied the provision market from a decline due to larger hog receipts than expected. The best buying was of the near deliveries of lard.

NEW YORK PRODUCE.

NEW YORK, October 24.—Flour—Firmly held.

Rye flour—Quiet.

Buckwheat flour—Dull.

Buckwheat—Quiet.

Cornmeal—Steady.

Rye—Strong; No. 2 west, 96½ c.i.f. Buffalo.

Barley—Steady.

Wheat—Spot easy; No. 2 red, 1.17⅜; No. 2 hard, 1.17½; No. 1 northern Duluth, 1.18½, and No. 1 northern Manitoba, 1.21½ nominal, c.i.f. Buffalo. Futures market was without transactions. December, 1.25½; May, 1.30½.

Corn—Spot steady; No. 2 yellow, 84 to arrive, and Argentine prime, 78 delivered.

Oats—Spot firm.

Hay—Steady.

Hops—Steady.

Hides—Steady.

Leather—Firm.

Pork—Steady.

Beef—Quiet.

Lard—Firm; middle west, 10.70a10.80; refined steady; compound dull.

Tallow—Quiet.

Wool—Steady.

Rosin—Quiet.

Turpentine—Quiet.

Rice—Steady.

Molasses—Steady.

DRY GOODS MARKET.

NEW YORK, October 24.—Cotton goods markets were steadier today and yarns were quiet. Burlaps, considerably easier at Calcutta, were slightly firmer here. Linens were firm. Sweater coats were firmer and tended higher. Underwear and hosiery were quiet.

FINANCIAL STATUS IS MUCH IMPROVED

New York Banks Almost Wholly Wipe Out Their Reserve Deficits.

MONEY RATES EASE OFF, MAKING LOANS FREER

Opening of Stock Exchange Eagerly Awaited—Foreign Liquidation Fear Passes.

BY W. S. COUSINS.

NEW YORK, October 24.—From whatever angle the financial situation in America may be viewed, it is positively certain that a distinct improvement may be noted. The loan situation of the New York Clearing House banks has grown to such an easy position that the huge deficit under which they have been laboring has been almost completely wiped out. August 1, on which date the last detailed clearing house statement was issued, the associated banks of New York had a surplus over their required legal reserve of more than $8,000,000. One week later, August 8, their statement showed that they had nearly $44,000,000 less than their legal reserve in their vaults; in other words, that their loans and withdrawals drew out more than $50,000,000 from their available "quick assets." One month later, September 5, this deficit had been reduced only to about $38,000,000; but since that time the splendid efforts of our American bankers have wrought such evolutionary improvements in financial conditions that each week has contributed to the wiping out of this awkward deficit. October 3 the shortage was $17,000,000, and October 17 less than $1,000,000. The known movements of money during the past week make it positively certain that the deficit will be converted into a comfortable surplus.

Moreover, there has been an appreciable easing off in money rates, which is the only logical sequence of an increase in the supply of funds. No surer evidence of the strengthened position of the banking institutions could be furnished than the fact that they are also retiring their emergency currency notes and clearing house certificates. Both of these served their purpose admirably and will doubtless continue to be used for some time to come, but the extraordinary conditions which called them into being have largely disappeared.

Money Rate Decreases.

A forerunner of the fact that the clearing house banks had surely wiped out their deficit was seen in the fact that more than one of the larger commercial banks loaning money on call reduced their rate from 8 to 7 per cent, and did not then find borrowers for all the money they were offering. While some of the banks have maintained a 6 per cent rate, this has been available for only their regular customers and for limited amounts, so that the prevailing rate on the majority of loans has been held pretty steadily at 8 per cent up to this time. At the present time more money is available at the lower rate, and New York bankers are of the opinion that before long this will be the ruling quotation. This change for the better has been accomplished through a good degree of cooperation by the borrowers, who have exerted themselves to reduce their commitments as opportunity offered to dispose of some of the securities pledged under them as collateral. It has also been hastened by the influx of money into New York. The banks which advanced the first $10,000,000 of gold to enable the foreign exchange committee to begin sales are now receiving the funds subscribed by institutions in other centers. Then, too, the contraction in business the country over has lessened demands for commercial purposes and has operated to increase cash holdings. Money promises to be plentiful enough to make it possible to resume security dealings whenever other factors, thought to make it inadvisable to open the exchange now, have been surmounted.

Opening the Stock Exchange.

The most important question now before the financial community, and one that becomes more acute as each day brings no definite solution, is that which concerns the opening of the New York Stock Exchange. On the one hand we have the position of the exchange members and all the intricate machinery of strock trading in a position of utter helplessness, while expenses are accumulating at an alarming rate. On the other hand, the banks, not only of New York, but in the smallest towns and cities, hold as collateral millions of dollars' worth of stock of the July valuation, and in many cases they would be subjected to serious losses should these stocks be thrust on the market under an official valuation much below that on which they loaned their funds. A banker from a small city in northern Connecticut said to the writer: ::If the New York Exchange opens tomor- Connecticut said to the writer: "If is obvious, therefore, that ample protection should be furnished the loaning institutions, which are to a larger extent than any other class the victims of unfortunate circumstances.

The governors of the exchange still refuse to permit transactions in listed stocks, unless guaranteed dividend-producing, on a lower basis than that of July 30. This policy has caused a great deal of dissatisfaction, especially when it is remembered that the prohibition is causing serious and irretrievable losses to people whose exigencies require them to sell their securities to care for other pressing obligations. As the matter now stands, it is not possible to do any business through a regular stock exchange house, with the exception of bonds and of the dividend-guaranteed stocks. The real market for stocks is of course below the level of the July prices, and hence those who are compelled to realize what they can on their holdings must do so through outside agencies, which are not very particular either as to their code of ethics or as to the observance of rules and regulations. Thus prices are being forced downward to a much larger extent than they would under legitimate trading conditions, and this has a tendency to create uneasiness not only among holders of high-grade stocks, but in the financial institutions, the funds of which are loaned thereon.

Needs of Exchange.

It has been well pointed out that what the exchange needs most of all are: First, the establishment of a responsible market, and, second, a more abiding confidence in the real intrinsic value of stock exchange securities. The stock exchange governors can and should at once provide the former. The latter must depend in large measure upon our lawmakers, from the President down to municipal officials. The President has let it be known that the administration's program "against big business" has been completed. Hence there is reason to hope that national antagonism that has been restraining national activities has in substantial measure at least culminated and that other forms of government which have been following Washington ideas will follow suit. As to the obligations of the stock exchange governors to act promptly it may be said that the banking situation has concededly improved to a sufficient extent to justify action. Nobody believes that there should be an immediate, unrestricted opening of the stock exchange. But there is a wide chasm between unrestricted trading and no trading at all.

The eminent economist and publicist, Sir George Paish of London, has given us reason to believe that the London exchange will ere long be operating, on a limited basis at least, and this will greatly minimize the danger of a deluge of stocks held by foreign holders. To this may be added the fact that the crisis which existed when European offerings were being liquidated here has been largely done away with by cooperation between the British government and the banks and people who were anxious to convert all of their American investments into cash have now had time to recover from their panic, and they are little disposed to throw over American investments that promise to suffer less by the war than any other security they hold. Moreover, the isolated position of Germany will make it difficult, if not impossible, for Berlin to continue the selling which was such a factor in depressing prices in the last few days of July. Until the stock exchange is reopened and the banks are again ready to extend the customary accommodations to investment houses, financing of corporate and municipal needs must be done on a short-term basis, which means the payment of high rates for money.

COTTON MARKETS.

NEW YORK.

NEW YORK, October 24.—A decidedly cheerful feeling prevailed on the cotton exchange today regarding the possibility of an early reopening of the exchange. Part of this was due to a report that both the syndicate and corporation plans had been oversubscribed and that an announcement from them was only awaiting a few unimportant details yet to be completed. It is expected that the conference committee will soon take up with Liverpool the question of opening the two exchanges simultaneously. New England mills are said to be considering large orders for heavy drills, but are unable to cover their sales with purchases of cotton and are awaiting the opening of the exchanges in order to hedge their transactions. In the last few days limited purchases of cotton close to 7, delivered, have been made by these mills. Interior Texas markets were steadier.

New Orleans spot quiet, 6½; sales, 697 bales.

NEW ORLEANS.

NEW ORLEANS, La., October 24.—The week in the cotton market closed with a fairly steady tone, January trading at 7 cents, and spots standing at 6½ cents here for middling and 6 cents at Dallas.

In the spot market it was said that purchasing was not as easy as earlier in the week, many holders being firm in their views and demanding higher than board quotations. Some steadiness appeared to be derived from reports of progress in the attempts now under way to reopen the future markets.

Continued rains in Texas and the storm centered over that state were regarded as strengthening influences on Texas prices.

COFFEE MARKET.

NEW YORK, October 24.—Prices for spot coffee were marked up ⅛ today, although business continued light. The improvement was attributed chiefly to less pressure from Brazil, where the markets were irregular, Rio being 50 reis lower, while Santos were up 100 reis. The liquidating committee here reported sales of December at 5.90, the undertone being steady and business small. Supplies both here and afloat from Brazil are said to be too liberal at the moment to warrant any important demand from the trade. Rio No. 7 was quoted 6½ and Santos No. 4 10⅝.

TREASURY STATEMENT.

The condition of the United States Treasury at the beginning of business yesterday was: Net balances in general fund, $95,296,486; total receipts, $1,928,027, and total payments, $1,186,429. The deficit this fiscal year is $38,942,756, against a deficit of $5,514,326 last year, exclusive of Panama canal and public debt transactions.

CHICAGO CATTLE MARKET.

CHICAGO, October 24.—Hogs—Receipts, 14,000 head; lower; bulk, 7.20a7.45; light, 6.95a7.50; mixed, 7.00a7.55; heavy, 6.95a7.55; rough, 6.95a7.10; pigs, 4.25a7.00.

Cattle—Receipts, 1,000 head; dull; beeves, 6.15a10.80; steers, 5.75a8.75; stockers and feeders, 4.90a7.80; cows and heifers, 3.20a8.70; calves, 7.00a11.00.

Sheep—Receipts, 2,000 head; steady; sheep, 4.90a6.05; yearlings, 5.60a6.50; lambs, 6.10a7.85.

ALONG THE RIVER FRONT.

Arrivals.

Schooner J. P. Robinson, cord wood from Upper Machodoc creek at 10th street wharf for L. A. Clarke & Son, power yacht Marilda, F. A. Davis of Cleveland, Ohio, owner, from a cruise on tributaries of Chesapeake bay; schooner Earl Biscoe, at 13th street wharf with railroad ties for J. H. Carter & Co.; schooner Crockett, at Alexandria shipyard with pulp wood from a Potomac point for shipment to West Virginia; power boat Annie L., sloops Cris Seeker and Volunteer and schooners J. T. White and Quicktime, oysters from river and bay beds for the market here; schooner Carrie Revell, cord wood from Chicomuxen creek at 10th street wharf for Clarke & Son; schooner Ella, from a river point with wood at an Eastern branch point for the market; scow Fisher, wood from a river point.

Departures.

Schooner S. T. Posey, light, for Maryland point to load cord wood for the dealers here; schooner Eleanor Russell, for Alexandria to load merchandise for Posey's wharf, Chicomuxen creek; steam yacht Utowana, light, for a cruise; power yacht Marilda, light, for New York, via the inland waterways; schooner Edith Marcey, light, for Ragged point after oysters for the market here; schooner Etta, light, for a bay packing house to load canned goods for this city or Baltimore; schooners Winnie Windsor and Quicktime, light, for the lower river after oysters for this market; steamer Southland, for Norfolk and Old Point; steamer Northumberland, for lower river landings and Baltimore; Standard Oil Company barge No. 52, light, for Baltimore.

Tugs and Tows.

Tug Cherokee arrived with oil-laden barge from Baltimore and left with barge for Baltimore, after unloading; tug Capt. Toby, left with shell-laden barge for the crushing plant at Alexandria; tug Louise, arrived with lighters from Occoquan workhouse; tug Herbert arrived at Alexandra with lighters laden with sand and gravel; tug John Miller arrived in the Eastern branch with clay-laden lighters; tug Minerva left with lighters for digging machines down river.

Memoranda.

Schooner Eva D. Rose has sailed from Newbern, N. C., with lumber for dealers here; schooner Lavinia Snow is chartered to load railroad ties on the Potomac for Boston; schooner L. J. Marvel is due at this port with lumber from North Carolina; schooner Oscar, at Alexandria, will return to a Potomac point to load pulp wood, to return; schooner Juliet L. Hopkins has sailed for a bay point to load for this city or Baltimore; schooner Frenchy is at a Potomac point to load oysters for the market here; schooner Bowen is at Maryland point to load cord wood for this market.

New Commander U. S. S. Minnesota.

Capt. C. B. Morgan has been detached from the navy recruiting station at New York and ordered to command the battleship Minnesota, relieving Capt. Edward Simpson, ordered home on waiting orders.

BANKS' CASH GAIN ENDS THE DEFICIT

Reserves Were Short $48,000,000 Two Weeks After European War Began.

TRADE RECESSION BRINGS MONEY INTO THE VAULTS

Steel and Iron Trade Continues to Suffer From a Scarcity of Orders.

NEW YORK, October 24.—One of the most gratifying features of the week was the wiping out of the deficit in cash reserves by New York banks and the substitution of an excess amounting to about $8,400,000. These institutions reported a deficit of almost $48,000,000 two weeks after the commencement of the European war.

It is clear, however, that it is trade recession that is sending cash into bank reserves in increasing volume. The money market relaxes correspondingly from week to week. Clearing house certificates and emergency currency are being retired. As yet very moderate investment has been stimulated. Prospect of the federal reserve law becoming effective on November 30 promises further large additions to available credits.

A pronounced slump in foreign exchange was a feature of the week. Operations by the bankers' gold pool, the stream of foodstuff exports, cessation of tourists' expenditures and the expected agreement with British treasury delegates at Washington were jointly effective factors.

On Way to Solution.

Severe depression in German marks was supposed to reflect merchandise consignments through indirect channels. Suggestion of British acceptance of short term notes from American debtors, coupled with action toward free purchase of cotton by British mills, promises excellent results on the most difficult problems still unsolved.

The opposition developed to freight rate increases at the hearing before the commerce commission had a chilling effect on the feeling of confidence that the railroads' petition would be granted. Railroad abstention from buying of materials emphasizes the prostration of the steel trade. For the present the grain movement is serving to sustain railroad traffic.

It is not improbable that the plans of the British government for protecting the London Stock Exchange debtors upon the expiration of the moratorium November 4 may decide, to a great extent, the question of an early reopening of the London exchange and our own.

Steel Orders Still Scarce.

The steel trade suffered again this week from smaller orders and lighter specifications, resulting in contraction in output of mills, foundries and furnaces. It is estimated that the industry as a whole is not operating over one-third of total ingot capacity. United States Steel Corporation activities dropped to about 48 per cent about a week ago and output of steel ingots today is understood to be under 45 per cent.

Concessions were made in prices of semi-finished steel and lower prices were made on not a few products, including plates, shapes and bars. The railroads, while placing few orders for equipment, are doing relatively as well as manufacturers. The Nashville, Chattanooga and St. Louis railroad bought 1,000 cars. The Philadelphia and Reading placed an order for a pier at Philadelphia calling for 1,000 tons of steel and the St. Paul, Pennsylvania and Cincinnati, New Orleans and Texas Pacific railroads placed order for bridge work amounting to about 1,300 tons.

Steel building work was a little more active late in the week, the fabricating shops reporting total orders for only about 12,000 tons, of which 2,500 tons came from the railroads. The largest building contracts were 3,700 tons for a power house in Newark, and 900 tons for an apartment house in New York city.

In the iron trade the principal feature of interest was the placing of contracts for the balance of the cast iron segments for the East river tunnels, calling for 22,000 tons of castings.

MR. SIDDONS TO TALK.

Will Address Citizens' Association at Eckington Presbyterian Church.

What will likely be his last appearance before a citizens' association as District Commisioner will be the visit of Commissioner Siddons Tuesday night to the meeting of the North Capitol and Eckington Citizens' Association, to be held in the Eckington Presbyterian Church, North Capitol street and Florida avenue. Mr. Siddons has been asked to speak on methods of municipal government.

Reports of committees will be received and a number of important matters related to the administration of District affairs discussed.

McDougall Joins Torpedo Flotilla.

The torpedo destroyer McDougall has joined the torpedo flotilla off Newport, R. I., according to word received at the Navy Department yesterday. The McDougall was reported to have slipped out of the harbor at Newport without reporting to the commandant of the navy yard there. The captain stated that he had forgotten to inform the commandant of his destination.

New Treaties With Portuguese.

Viscount de Alte, the Portuguese minister, and Acting Secretary Lansing yesterday exchanged ratifications of two treaties. One extends for five years the special arbitration treaties between Portugal and America, and the other provides for the appointment of a peace commission to examine the differences between the United States and Portugal.

The next step will be to appoint the members of the commission, as was done in the case of Guatemala.

WAITERS MOSTLY.

The girl—The table we had at the inn was almost entirely surrounded by palms.

The Lad—Potted or waiters?

American Machinery

By Frederic J. Haskin.

Opinions ventured that the European war would greatly enliven American business and result in a decided enhancement of our industrial and commercial welfare have been received, in many instances, by "big business" leaders—naturally conservatives—with considerable tolerant skepticism. Among these leaders some have insisted that the war could bring us nothing but disaster; that any efforts to find advantages for ourselves growing out of Europe's melee were misdirected enthusiasm. And, during the early days of the war, the various commodity markets did go through many strange, depressing maneuvers.

The feeling of crisis quickly passed, however. Certain realization followed that, while the war might work us loss in some directions, there was no reason why several European wars should be able to block our progress or wreck our prosperity. As one of the three most highly organized industrial nations, as one of the richest farm and mineral producing nations, we could satisfy from native sources most every one of our legitimate needs. Foreign markets were necessary to the prosperity of but very few of our industries, while in a great many branches there was the stiffest kind of foreign competition in our home markets, which would be removed, or greatly lessened, by the war. It was with these facts in mind, and without consideration of the possible development of our foreign markets, that many students of trade conditions made hopeful predictions during the first weeks in August.

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Justifies Hopes of the Prophets.

The way in which the country recovered from the war shock seems to have justified completely the hopeful prophets. More, there are beginning to multiply unmistkaable, practical indications of an impending, unusually brisk time of foreign business, and this foreign business must react upon the fabric of our whole home commerce to a result of general enlivenment. While there is temporary difficulty in financing the cotton crop, export sales of wheat and flour from this year's crop thus far are estimated at 140,000,000 bushels, or nearly one-half of the available surplus, 300,000,000 bushels, a new record surplus for export.

Examples of exports beginning to feel the stimulus of the great war might be multiplied through a fairly important list, but that it is the present purpose to consider the American machinery market. Leading countries of the world by magnificent margins in the manufacture of machinery are the United States, Germany and Great Britain. Among themselves they about divide up the honors for especial excellencies in the makes of the various machine sorts. In other words, there are certain types of machines which the world must, or prefers, to buy from the United States, while in certain other types the patronage goes to Germany or Great Britain. Rarely is it necessary, however, to go outside of these three markets.

So, in the machinery trade, the most important competition for the world's markets was among the manufacturers of the United States, Germany, and Great Britain, and both Germany and Great Britain have been giving us the hardest kind of competition. Now, resourceful German competition has been all but eliminated, while England's endeavors have been made more difficult. Germany has been almost isolated from foreign business, and the German government has issued an edict prohibiting all shipments of machine tools and small tools from the country, except by special permission. It would seem that a great part of the German trade and some of the English trade in machines and machine tools must fall to the American manufacturer.

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Warring Nations Must Buy in U. S.

Moreover, the warring nations will, themselves, be forced to turn to our producers to cover their increased needs in certain lines of machinery. In fact, important war orders already are beginning to be placed. An aggregate of export business which runs up into large figures has been placed with manufacturers in New England and in the central west. Engine lathes are said to predominate in these orders, while grinding machines and automatics are also largely called for. The foreign orders which have been given in New England are reported as enormous, having been large enough practically to wipe out the stocks of several works in that section which specialize in the manufacture of engine lathes.

Besides the lathes, foreign buyers are ordering automatic and semi-automatic turning machines and also milling machines. Manufacturers of wood-working machinery are beginning to experience an increasing demand. The total orders which have been placed in this country by foreigners for machinery are reported to aggregate a significant amount. Finally, the greater part of this business is said to be cash business, and so should prove doubly stimulating to the country generally.

While still light, the home demand for machinery is improving. In anticipation of lively lumber demands, a large number of shingle mills and small sawmills are being built in the Pacific northwest. As further evidence of a brightening of the home market, several large railway orders for machine tools have been given. In some lines the removal of German competition alone will assure highly profitable seasons, this profit being certain with every outside market in the world closed up tight. In fact, there are a number of industries in which the native demand always has been better than the best native endeavor.

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American Tools Classed as Best.

American machine tools are claimed to be the best obtainable. Even the Germans, as patriotic as any people on earth when it comes to standing behind home production, occasionally admit that many of our machine tool sorts are the best, that they stand the wear and turn out better work than those machines of German or English construction. It is this class of machines which will likely experience the first great war boom. The machine tool manufacturers expect a repetition of the condition which existed at the time of the Russo-Japanese war, during which period lathe manufacturers and milling machine plants were rushed with orders. The repetition, however, is expected to be on a far larger scale. Many of the machine tool companies are making preparation for increasing their facilities and are looking forward to day and night activity.

Governments of the warring nations, it is confidently expected, will place machinery orders with the manufacturers of this country which will aggregate many millions of dollars. These orders have begun to arrive. Besides the machine tool trade, the automobile industry is beginning to profit from war orders. Orders for motor trucks for war purposes are pouring into Cleveland and other automobile centers. Some American motor truck manufacturers are working their plants day and night in order to fill these demands. Automobile plants throughout the central west are sharing in this war business.

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Hard to Keep Ahead of Their Orders.

Further, some of the largest manufacturers of automobile forgings are finding it necessary to run at full capacity to keep even with their orders. Later on, when the neutral world has had time to catch a second breath over its astonishment at Europe's tremendous struggle, and when these neutral nations have become accustomed to a brand-new kind of a business world, American manufacturers of motor cars should fall heirs to the bulk of the German, French and English trade in automobiles. Such an increased trade will mean an accompanying boom in the sale of American rubber tires, parts, chains, tools and general accessories.

At first, of course, there is to be expected a certain loss in sales of the machinery more peculiar to the needs of peaceful progress, both at home and in foreign markets. This loss should be more than made up, it would seem, however, when the orders which were formerly sent to Germany, Belgium, France and Great Britain begin to find their way into the offices of American manufacturers.

Then, our machinery industry has to look forward to a lessened competition in home markets, an increased demand for a number of its products due to war, a decidedly increased foreign market, in that its two great competitors are at death grips, and a further increased trade when the warring nations go back to the work of peace and begin to restock their supplies of tools.

PRINCETON BEATS DARTMOUTH

Nassau Golf Team Triumphs on Eve of Foot Ball Game.

PRINCETON, N. J., October 24.—Princeton defeated Dartmouth in golf here yesterday afternoon by a score of 2½ to ½. Three four-ball matches were played and the local golfers had little difficulty in winning the first two. Fay and Washburn were 4 up on d'Ancona and Leighton at the thirteenth hole, but the visiting pair pulled up and Washburn had to hole a hard putt on the home green to win the match, but missed, and the match ended all square. It was not played off, as Princeton had won the other two matches.

The summary:

Princeton.		Dartmouth.	
Rose and Peacock..	1	Tyler and Cutler...	0
Barber and Lowrie.	1	Dennen and Griswold	0
Fay and Washburn.	½	D'Ancona and Leighton	½
Total...	2½	Total...	½

WOUNDED MEN ABOARD STRANDED FRENCH SHIP

LONDON, October 24, 10:25 a.m.—The French ship Marie Henriette, with wounded soldiers on board, is ashore near Cape Barfleur, sixteen miles east of Cherbourg, according to a telegram received here from Lloyds' signal station at Cowes, Isle of Wight.

S. O. S. signals from her have been received at the wireless station at Niton, Isle of Wight. A French ship is standing by the Marie Henriette.

ARMY—NAVY.

Army Orders.

The following officers of the Medical Corps relieved from duty will report to the chief division of militia affairs, for instruction and assignment to duty as inspector-instructors with the sanitary troops of the organized militia: Maj. Henry Page, Fort Moultrie, S. C.; Maj. Louis T. Hess, Fort Hamilton, N. Y.; Maj. M. A. W. Shockley, Fort Niagara, N. Y., and Maj. James M. Phalen, 2d Division, Texas City, Tex., and Fort Sheridan, Ill.

The following changes in stations and duties of officers of the Medical Corps are ordered: First Lieut. Charles C. Hillman, relieved from Fort Myer, Va., and will proceed to the Walter Reed General Hospital, D. C., and report to Ambulance Company No. 6 for duty.

Maj. Allie W. Williams, relieved from duty with Field Hospital No. 3, Vera Cruz, Mexico, and will proceed to Washington and assume charge of the field medical supply depot.

Upon arrival of Maj. Williams at the field medical supply depot Capt. William A. Duncan will proceed to Jefferson barracks, Mo., in connection with the installation of an X-ray machine at that post.

The following officers of the Medical Corps will proceed to Texas City, Tex., and report to the 2d Division for assignment to duty, with station at the post indicated: Maj. Robert N. Winn, Fort Des Moines, Iowa; Maj. Frank C. Baker, Fort Leavenworth, Kan., and Capt. George W. Cook, Fort D. A. Russell, Wyo.

The following officers of the Medical Corps will proceed to station indicated and report for duty: Capt. Henry F. Pipes, Fort Slocum, N. Y.; Capt. Eugene G. Northington, Letterman General Hospital, the Presidio of San Francisco, Cal., and Capt. John P. Fletcher, General Hospital, Fort Bayard, N. M.

First Lieut. George Newlove, Medical Reserve Corps, will proceed to Fort Lawton, Wash., and report for duty.

Capt. Junius C. Gregory, Medical Corps, relieved from Fort Slocum, N. Y., upon arrival at that post of Capt. Henry F. Pipes, Medical Corps, and will proceed to Philadelphia, Pa., for duty as attending surgeon.

More than 13,000 persons are training for teachers in India.